

QUICK REFERENCE GUIDE for TAA and NAFTA-TAA

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BACKGROUND

Trade Adjustment Assistance (TAA) is a Federal entitlement program which offers help to workers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports.

Under the Trade Act of 1974, as amended, workers whose employment is adversely affected by increased imports may apply for TAA. TAA includes a variety of benefits and reemployment services to help unemployment workers prepare for and obtain suitable employment.

Under the North American Free Trade Agreement Implementation Act (NAFTA), signed into law on December 8, 1993, a specialized TAA program was established, the NAFTA-TAA program, which took effect on January 1, 1994.

NAFTA-TAA is a transitional program that combines aspects of two laws that have been in effect for many years:

- the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) under Title III of JTPA, and
- the Trade Adjustment Assistance Program, under the Trade Act of 1974.

NAFTA-TAA offers help to workers whose company (Primary Firms) has been impacted or is threatened to be impacted as a *direct* result of increased imports from Canada or Mexico. In other words, if workers lose their jobs when a plant in the United States closes and moves the production to Canada or Mexico, or if a company's production has declined in direct response to imports from Canada or Mexico, these workers would be eligible for assistance such as rapid response and the opportunity to engage in long-term training while receiving cash payments and other reemployment benefits.

The NAFTA-TAA program also covers workers in companies (Secondary Firms) that are *indirectly* affected by trade with Canada or Mexico. For example, if a secondary firm supplied materials to a primary firm who has been or was directly affected under NAFTA, these workers may also be eligible for assistance.

Secondary Firms include:

- companies that supply materials to a primary firm that has been directly affected by shifts in production to, or imports from, Canada or Mexico;
- companies that assemble or finish components produced by a primary firm that has been directly affected by shifts in production to, or imports from, Canada or Mexico; and

- family farms and farm workers who do not meet the group eligibility requirements.

CERTIFICATION PROCESS

A certification is an official authorization by the U.S. Department of Labor for a specified group of workers to apply for adjustment assistance. Once a certification is given to a company any workers within that company who have been laid-off or whose hours are cut dramatically are eligible to apply for benefits. The certification process includes: the petition process; filing the petition; and the notification process. Generally, a certification is effective for two years from the date it is issued.

Your first point of contact with a potential trade impacted dislocated worker may be as follows:

The Dislocated Worker Unit under EDWAA (Title III of JTPA) in a state is alerted to the possibility of a layoff or plant closing. They respond rapidly (called Rapid Response) with on-site services. These services may include an assessment of the workers individual skills and abilities as well as financial and personal counseling to prepare them for job transition. After hearing the details of the layoffs or reduced work hours, the Rapid Response team might also alert the workers that they may be eligible for TAA and/or NAFTA-TAA program benefits. The Rapid Response team may provide them with TAA and/or NAFTA-TAA program petitions or advise them to contact their local Employment Security Agency (hereafter referred to as Job Service Office) to obtain a petition and begin the certification process, as soon as possible.

A worker recently laid-off from his job comes in to the local Job Service Office to apply for Unemployment Compensation. After hearing the details of his lay off, the UI case manager informs the worker that he may be eligible for TAA and/or NAFTA-TAA program benefits, and provides him with program petitions and refers him to the appropriate person to begin the certification process.

Thus, your first contact will most likely be when the trade impacted dislocated worker comes to your office to apply for Unemployment Compensation after receiving information about the programs. If the worker's company has not yet been certified, inform him of the certification process at this time.

In each of these scenarios, there was communication between agencies, coordination of services between agencies, and there was a sense of immediacy in getting a worker to begin the process for TAA and/or NAFTA-TAA certification. This sense of immediacy is crucial as "the clock starts ticking" (in terms of time limits) the minute a trade impacted dislocated workers walks through your door.

Petition process

A petition may be filed by any of the following who feel that increased imports was the main cause of their job loss or reduced work hours:

- a group of three or more workers in a company;
- a union representative; and
- a company official such as the human resource manager;

The workers must be, or have been, employed regularly at the company identified on the petition. The workers' employment must be, or have been related to the production of articles described in the petition.

In addition to all of the above, a NAFTA-TAA petition may also be filed by a community-based organization such as the YMCA, a family farmer and a farm worker who do not meet the group eligibility requirements.

This petition asks the USDOL to determine eligibility to apply for adjustment assistance under TAA and/or NAFTA-TAA. Workers do not have to wait until they are actually laid-off, they may petition on the basis of such a threat. To file, they may request a TAA and/or NAFTA-TAA petition from you, or notify the USDOL directly.

A complete TAA petition should contain the following information (See Figure 1):

- petitioner's information (name, address and telephone);
- approximate date of separation;
- group of workers on whose behalf the petition is filed;
- company data (name, address, telephone, contact person);
- approximate number of workers affected;
- list of the product(s) produced by the company;
- a statement of reasons for submitting the petition; and
- petitioners' signature and petition date.

A complete NAFTA-TAA petition should contain the following information (See Figure 2):

- petitioners identification (name, address and telephone);
- approximate date of separation;
- union affiliation (if applicable);
- company data (name, address, telephone, contact person);
- list of the product(s) produced by the company;
- reason for submitting the petition (Section 4);
- petitioners' signature and petition date; and
- if applying as a secondary firm, include:
 - company data of the primary firm, and
 - relationship of secondary firm to primary firm.

Figure 2 - NAFTA-TAA Petition Form

Filing Process

TAA and/or NAFTA-TAA petitions may be obtained from any local office of the State employment security agency, or from any agency designated by the Governor of your State to provide TAA and/or NAFTA-TAA services. Petitions may also be obtained from contacting the USDOL's Office of Trade Adjustment Assistance.

A petition may be filed under both programs, however each petition must be filed separately as follows:¹

A TAA petition is filed directly with the USDOL. The Department conducts a factfinding investigation to determine whether the group eligibility criteria have been met and issues an official notice of eligibility determination no later than 60 days after a petition is instituted (date petition is received at USDOL).

A NAFTA-TAA petition is filed with the Governor's designated State agency. The responsibility for conducting the investigation is shared by the State agency and the USDOL. The investigation is completed no later than 40 days after the petition is instituted (date petition is received at the State agency).

The State agency investigates the affected company and notifies the USDOL of its preliminary finding within 10 days. If the preliminary finding is initially found to meet the criteria, workers will be provided rapid response and basic readjustment services (job search workshops, resume writing, etc.) through EDWAA.

The USDOL then issues a final determination, based on the eligibility requirements, within 30 days of receipt of the State's preliminary finding.

If the USDOL determines that a NAFTA-TAA petition does not meet the eligibility requirements under the program, and there is no existing TAA petition, then the NAFTA-TAA petition is immediately reviewed under the TAA program to determine if coverage is available.

¹ Since it only takes 40 days for a NAFTA-TAA certification to go into effect, and it takes 60 days for TAA, workers should be advised to file a TAA petition as soon as possible, even while considering whether they should also file for NAFTA-TAA. If a worker is initially certified for NAFTA-TAA, the time period for receiving benefits begins soon after those 40 days, and they must be enrolled in training no later than 6 weeks after their company is certified. Meanwhile, the regular TAA petition is still under investigation by the USDOL. If a regular TAA certification is also issued, the workers will be allowed to change programs if they choose to.

Appeal Rights

If the USDOL determines that both TAA and NAFTA-TAA petitions are denied, the petitioners who filed the petition can appeal the denial or request administrative reconsideration by the USDOL within 30 days after publication of the determination in the *Federal Register*. These requests must be in writing and provide specific information or reasons why the workers consider the USDOL's decision to be in error either as to facts not considered or as to the interpretation of the facts or the law. Appeals for USDOL's reconsideration should be filed with the State agency or with the USDOL's Office of Trade Adjustment Assistance, 200 Constitution Ave, N.W., Room C-4318, Washington, D.C. 20210, (202) 219-5555.

Workers may also file an appeal seeking judicial review of the USDOL's negative determination or negative redetermination within 60 days of publication of the denial in the *Federal Register*. Appeals for judicial review must be filed with the U.S. Court of International Trade, Office of the Clerk, Federal Plaza, New York, New York 10007, (212) 264-2800.

If a worker is not satisfied with the determination of their individual application for allowances and training, they have the same appeal rights as are provided under the State unemployment compensation law. The determination notice (notification) mailed to workers, should explain the worker's appeal rights and time limits for filing an appeal.

An individual worker can appeal any step of the way. For example, workers can appeal the denial of waivers under the TAA program, denial of payment for supplies, denial of transportation, etc. Because of this, be sure that all information given to an individual worker is documented in writing, signed and dated by the worker. Never refuse to take an appeal - just be sure to evaluate the decision before processing.

The appeals process for TAA and/or NAFTA-TAA follows the same guidelines as the State Unemployment Insurance appeals process. For further details on the appeals process, contact your supervisor as each State's process varies.

Notification

The USDOL directly notifies the petitioners, the company and the Region and/or State agency of its final determination regarding the petition. The State agency and your local Job Service office notify all workers covered under a certification via mail, local radio stations and newspapers.

Workers need to know that they do not automatically receive benefits just because their company has been certified. A worker must apply for TAA and/or NAFTA-TAA benefits. If qualified, the worker may apply for benefits such as weekly monetary allowances, reemployment services, job search allowances, relocation allowances and retraining. All to be discussed in the next section under Program Benefits.

To summarize, in order for workers of an affected company to become eligible for TAA and/or NAFTA-TAA benefits, they must complete the certification process. This process includes a group of 3 or more workers or other duly authorized official submitting a petition, filing the petition with either the USDOL or the State, and notifying workers of the USDOL's final decision. If certified as eligible, workers may then apply for program benefits.

If a NAFTA-TAA petition is denied by the USDOL, the petition is immediately reviewed under the TAA program to determine if coverage is available.

If the USDOL denies both the TAA and the NAFTA-TAA petitions, the petitioners may appeal or ask the USDOL to review the decision. The appeal or request must be in writing and provide specific information or reason as to why the petitioners disagree with the USDOL's final decision.

PROGRAM BENEFITS

Whether certified as eligible to apply for TAA and/or NAFTA-TAA, workers may qualify to receive any of the following benefits:

1. Trade Readjustment Allowances (TRA), which are weekly cash payments payable after the initial 26 weeks of UI for weeks of continued unemployment.
2. Reemployment services, such as counseling, testing, job development and placement.
3. Job search allowances, provides reimbursement for approved job search expenses.
4. Relocation allowances, provides reimbursement for approved costs of relocating to a new job.
5. Job training, which is expected to lead to employment.

Each benefit has its own eligibility requirements and must be applied for separately before the activity can begin. These benefits will now be discussed in more detail.

1 Trade Readjustment Allowances (TRA)

The TAA and NAFTA-TAA programs offer a weekly cash allowance called Trade Readjustment Allowances (hereafter referred to as TRA). When workers first come to you seeking assistance, even before it is determined that they are eligible for TAA and/or NAFTA-TAA they will receive Unemployment Compensation, which is a weekly subsistence allowance.

If the workers are eligible for TAA and/or NAFTA-TAA, they may be able to continue to receive weekly support payments after their initial unemployment compensation benefits run out. TRA payments are intended to be only for workers who are enrolled in approved, full time training.

To qualify for TRA benefits a worker must:

- Be covered under a certification;
- Be totally separated from employment on or after the impact date and before the expiration date of the two-year period of such certification;
- Have worked at least 26 weeks at wages of \$30 or more a week in the 52-week period ending with the week of separation (up to 7 weeks of non-work for specified reasons and up to 26 weeks of worker's compensation may be counted toward the 26 weeks);
- Have been entitled to and have exhausted all rights to unemployment benefits;

- Meet the same weekly work test applicable to claimants for extended unemployment benefits, including actively seeking, applying for and accepting work within their capabilities; and
- Be enrolled in or have completed an approved training program, unless the training requirement is waived by the designated State agency.

The first week for which a worker may be eligible for TRA must begin more than 60 days after the filing date of the petition which was certified by the USDOL.

If a worker does not qualify for TRA benefits, they may still be eligible to apply for the other program benefits.

The amount of TRA will generally be the same as the amount of the State unemployment benefits the workers were receiving immediately before they exhausted their first rights to such benefits and became eligible for TRA benefits.

The TRA benefits will be reduced by any earnings or other income the worker receives in the same way that such earnings and income would have reduced the weekly unemployment benefits. The TRA will also be reduced by the amount of any other Federal training allowance the worker is entitled to for the same week.

Basic TRA

Basic TRA is the first type of TRA available and usually lasts for 26 weeks.

To receive basic TRA payments under a TAA certification, the worker must be enrolled in, or participating in, TAA approved training, must have completed training, or must have been granted a written waiver of the training requirement.

Training Waivers under TAA

Training under TAA can only be waived (or excused) if it is not "feasible or appropriate". This means that an affected worker can still receive a weekly cash allowance even if the worker is not enrolled in, or participating in training, as long as one of the following conditions exist:

- there is no training program available;
- training does not start within 30 days;
- the training that is available does not meet TAA approval criteria, such as reasonable cost (to be covered later);
- the worker is unable to participate in or complete training because of personal circumstances, such as financial means;
- funds are not available to pay the total cost of training;
- the worker has marketable skills; or

- the worker will be going back to work reasonably soon.

Waivers are usually just issued once, but are reviewed every 30 days. If conditions have changed, and training is now "feasible and appropriate", the waiver is revoked and a worker is enrolled in training. For example, a women is issued a training waiver because she is unable to find child care for her two children. As soon as she finds suitable child care the training waiver is revoked and she is enrolled in training.

If conditions have not changed, waivers can be extended. For example, a worker signs up for training that does not begin for 5 weeks. He gets a training waiver for 30 days. At the end of the 30 days it is reviewed and extended for another week. The waiver is revoked after the training begins. If for some reason the class gets cancelled, the waiver can be reissued again.

Question: A worker has been laid-off from his job, but has been informed that he will be rehired in 2 weeks, should you, (a) enroll him in a training program so he can continue to receive TRA or (b) issue a training waiver until he gets back to work?²

To receive basic TRA payments under a NAFTA-TAA certification, the worker must be enrolled in TAA and/or NAFTA-TAA approved training or must have completed training. Waivers of training are **NOT** granted under NAFTA-TAA.

Additional TRA

Additional TRA is the second type of TRA available and can be paid for 26 more weeks, as long as workers are participating in training. These additional TRA weekly cash allowances are available to assist a worker complete an approved training program.

A training program may last 104 weeks while weekly cash allowances only last for a total of 78 weeks (26 weeks of unemployment compensation, 26 weeks of basic TRA and 26 weeks of additional TRA). TRA is available at a maximum of 52 weeks. Therefore, in order to be able to receive income support for a total of 78 weeks while attending training, it would be advantageous to the worker to apply for training early in their regular unemployment compensation claim.

A worker cannot begin to receive a TAA and/or NAFTA-TAA basic TRA until their unemployment compensation benefits have been exhausted. If the workers is still participating in a training program after their basic TRA is exhausted, then they may receive additional TRA.

²The correct answer is (b). You should issue a training waiver because training is this case in not feasible or appropriate since he will be employed again in 2 week. Thus, you can issue a training waiver until he gets back to work.

To be eligible for additional TRA a worker must make a bona fide³ application for such training within 210 days after the date of the first certification.

TRA Allowance Calculations

The TRA weekly benefit rate (WBR) is the same as the unemployment compensation weekly benefit rate⁴ a worker has been receiving before becoming eligible to receive TRA. For example, if a worker is receiving \$200 a week of unemployment compensation, the TAA and/or NAFTA-TAA basic TRA will also be \$200. In this case, the worker will receive 26 weeks of unemployment compensation benefits at \$200 a week, or \$5200 for the initial 26 weeks. The worker will also receive an additional 26 weeks of basic TRA at \$200 a week, also \$5200 for the second 26 week period. Thus, for the total 52 week period the worker receives \$10,400.

You will notice that the 26 weeks of unemployment compensation plus the 26 weeks of TAA and/or NAFTA-TAA basic TRA equals a benefit year of 52 weeks. A worker cannot receive a basic TRA until their unemployment compensation benefits are exhausted. Sometimes the unemployment compensation benefits are exhausted sooner than 26 weeks. In that case, basic TRA would start sooner, and still stop at the end of the 52 week benefit period.

For example, a worker's unemployment compensation benefit may be exhausted after 20 weeks. The basic TRA would begin 6 weeks earlier and would extend to 32 weeks. In this case, the worker would receive 20 weeks of unemployment compensation at \$200 a week or \$4000 for the initial 26 week period. The worker would then receive 32 weeks of basic TRA at \$200 a week or \$6400 for the full 32 week period. Thus, for the total 52 week period the worker receives \$10,400. [Notice that this is the same total as in the previous example. The only difference is which program is paying the benefits and thus, how it's calculated.]

The maximum basic TRA benefits a worker may receive equals 52 times the TRA weekly benefit rate minus all unemployment compensation benefit a worker was entitled to receive before being eligible for TAA benefits. For example: a worker's unemployment compensation weekly benefit is \$200. \$200 times 52 is \$10,400. The unemployment compensation entitlement was \$5200. \$10,400 minus \$5200 equals \$5200 basic TRA left to receive as benefit.

³ A bona fide application is a worker's signed and dated application for training filed with the State agency administering the TAA and/or NAFTA-TAA training program. The form contains the worker's name, petition number, local office number and specific occupational training and is signed and dated by a State agency representative upon receipt.

⁴ Ask your supervisor if you have questions on how to calculate the Unemployment Compensation Weekly Benefit Rate, as each State's rate varies.

Question: If a worker was to receive \$150 a week for 15 weeks of unemployment compensation, what would be the total basic TRA under TAA and/or NAFTA-TAA?⁵

Before leaving the topic of TRA, it should be pointed out that there is sometimes a problem in changing the perception of the TAA and/or NAFTA-TAA program in the worker's mind from TRA weekly benefits to reemployment benefits. Often, the worker's goal is to get extra weeks of checks, not an appropriate job or training program. As a result, workers drop out of training as soon as they've exhausted all weeks of entitlement. It must be stressed to workers that their weekly cash allowances cannot support them and their families forever. Finding a new job can.

⁵ A total of 52 weeks minus 15 weeks of unemployment compensation equals 37 weeks of basic TRA. A total of 52 weeks at \$150 a week is \$7800 minus 15 weeks of unemployment compensation at \$150 a week is \$2250. 37 weeks of basic TRA at \$150 a week is \$5550. Thus, the total basic TRA under TAA and/or NAFTA-TAA is \$5550.

A second benefit workers may qualify to receive under TAA/NAFTA-TAA is **Reemployment Services**.

A worker's top priority should be to find a new job. To make sure workers are placed in a job that utilizes their highest skills and that they are appropriately referred to job openings, you should provide them with the following reemployment services:

- | | |
|-------------------------|-----------------------|
| - employment counseling | - supportive services |
| - vocational testing | - job search programs |
| - job development | - referrals |

Employment counseling can help workers gain a better understanding of themselves in relation to the labor market. Workers need a clear understanding of available career options in order to make a wise choice. This requires accurate and timely information, including:

- occupations that are stable or in demand;
- local wage and benefit structures;
- entry level skill requirements and their adaptability to other job opportunities;
- occupations that offer advancement potential; and
- occupations expected to have short and long-term growth potential.

You may start by developing a reemployment plan (also known as an employability plan) that is based on the individual worker. Do the workers have a set goal? What are their skills? Do their skills and interests match the market demands?

Vocational testing will determine which skills or potentials can and should be developed. This testing can be done by your local vocational school, a community college, or JTPA. Remember, the intent is to get a person job ready as soon as possible, which makes front end assessment very important. Whenever possible, use assessments that have been done by others - "don't reinvent the wheel". If a worker has received Rapid Response through EDWAA, they may already have been through some testing. Try to use any assessment information other agencies might have available.

Job development involves working with potential employers to solicit job interviews and to customize or restructure particular jobs to meet individual needs. Make it a point to network with the employers in your area so that you establish a good working relationship.⁶

⁶ When networking with employers to develop jobs, be sure to inform them that trade impacted dislocated workers are eligible for On-the-Job-Training (OJT) contracts. These contracts reimburse an employer for a portion of the wages paid during the training period.

Supportive services are provided so individual workers can obtain permanent employment. Such services include work orientation, basic education, communication skills, transportation, child care and any other services necessary to help prepare workers for full employment based on their capabilities and employment opportunities.

Job Search programs. All TAA and/or NAFTA-TAA workers must participate in a Job Search Program as a condition of receiving Trade Readjustment Allowance (TRA).⁷

Job Search programs are initiated to assist worker in developing skills and techniques for finding a job. An approved job search program may be provided through JTPA, your Job Service office, or sponsored by the company from which the worker was laid-off. A job search program includes:

- job search workshops, usually 1-3 day seminars designed to provide workers with knowledge on how to find jobs, including labor market information, applicant resume writing, interviewing techniques, and finding job openings; and
- job finding clubs, which include all elements of job search workshops, plus a period of 1-2 weeks of structured supervised application where workers actually seek employment.

Referrals Because a worker's top priority is finding a new job, there may be times when **referrals** to other service agencies besides yours would be beneficial to them. Referrals are beneficial when:

- a worker is not eligible for TAA and/or NAFTA-TAA program benefits⁸;
- you want to find the quickest initial funding for training⁹; or
- the worker needs help with support services.

⁷ The only reasons why a worker would not participate in a job search program is if he is enrolled in a training program, or if the state determines that a job search program is not reasonably available.

⁸ If workers are not eligible for TAA and/or NAFTA-TAA program benefits, EDWAA benefits under JTPA may be available. Benefits for these workers will include training, job search, relocation, and income support. Ask your supervisor about what agreements are in place and what services are available to workers. Work at "tearing down any fences" that may exist between agencies, so that you may best serve the trade impacted dislocated workers.

⁹ The quickest initial funding for training for workers will be through EDWAA. As was mentioned earlier, JTPA will have provided Dislocated Worker assistance to the workers before eligibility for TAA and/or NAFTA-TAA is determined. A worker may remain linked with EDWAA while enrolled in TAA and/or NAFTA-TAA training in the event EDWAA needs to pick up training costs after a worker's TRA runs out. Any dual enrollment agreement such as this must be included in the worker's Employability Plan, and must contain specific commitments from the cooperating agencies to pay the costs they agree to assume.

A third benefit workers may qualify to receive under TAA and/or NAFTA-TAA is **Job Search Allowance**.

Job Search allowances provide workers with cash assistance to look for a job. This allowance will reimburse 90% of their travel, lodging, and meal expenses while attending job interviews outside their normal commuting area, within the United States. The maximum reimbursement for job search is \$800, and it is based on actual costs.¹⁰

In order to receive job search allowance, workers must meet the following requirements:

- be laid-off from a company that has been TAA and/or NAFTA-TAA certified;
- be registered with the Job Service office that will furnish reemployment services;
- be determined that there is no suitable employment in the commuting area;
- have a good chance of finding a long term job elsewhere;
- file an application within time limits¹¹; and
- have a job interview scheduled before traveling.

Workers must complete their job search within 30 days. A job search is said to be completed when the individual either finds new employment or has contacted each employer to whom he was referred.

Job search allowances should be paid promptly after a worker completes a job search. They may receive an advance of no more than 60% of the estimated cost, not to exceed \$360. This advance will be deducted from the actual payment when it is made.

¹⁰ Be sure to inform workers that the maximum reimbursement for job search is \$800, and that it is based on actual costs. Caution them to keep all of their receipts, and to use the most cost effective mode of transportation.

¹¹ An application should be filed within 365 days of being laid-off, or the date the petition was certified, whichever is later, or within 182 days following successful completion of a TAA and/or NAFTA-TAA approved training program. This application must be filled out before job search travel occurs.

A fourth benefit workers may qualify to receive under TAA and/or NAFTA-TAA is **Relocation Allowance**.

Relocation allowances provide workers with cash assistance to move. This allowance will reimburse 90% of the costs of moving workers and their families if they have found a job outside their normal commuting area within the United States. These costs include travel, lodging and meals, along with the cost of moving their household goods¹². Additionally, workers will receive a lump sum payment equal to three times their former average weekly wage not to exceed \$800 to help them get settled. Workers can only receive relocation allowances once.

In order to receive this allowance, a worker must meet the following requirements:

- be laid-off from a company that has been TAA and/or NAFTA-TAA certified;
- be registered with the Job Service office that will furnish reemployment services;
- be determined to have no reasonable expectation of finding suitable employment in the commuting area;
- have obtained long-term employment, or an offer, in the area of intended relocation (within the US);
- file an application within time limits¹³; and
- complete the relocation within a reasonable period of time.

In determining whether an individual's relocation is completed in a reasonable period time, you will want to keep in mind the following:

1. Is there suitable housing available in the new area?
2. Can a worker sell his current home or get out of a lease easily?
3. Is the worker or a family member ill?
4. Is a member of the family attending school? If so, when can the member best be transferred to a school in the area of relocation¹⁴?

¹² Remind workers to keep all receipts and to use the most cost effective mode of transportation.

¹³ An application should be filed within 425 days of being laid-off, or the date the petition was certified, whichever is later, or within 182 days following successful completion of a TAA and/or NAFTA-TAA approved training program. This application must be filled out before relocating, and the relocation must start within 182 days following the date of application.

¹⁴ If, for a good reason, such as school, illness, or economic circumstances, a family member must travel separately they will be paid 90% of their total costs as well.

Relocation allowances should be paid promptly after relocation. Once again, workers should be cautioned to keep all receipts as these allowances are based on actual costs. Advances can be made, and should be estimated at 90% of the lowest estimate of allowable costs. When actual receipts come in, the worker will either be paid the amount to make up the difference of the advance, or will be billed for overexpenditures. Relocation allowances can only be paid to the worker once per certification.

A fifth benefit workers will receive under TAA and/or NAFTA-TAA is **Job Training**.

The purpose of training is to enable workers to reenter the labor market pool with new and marketable skills. Some workers will know exactly what they want to do, while others will need more help. Trade impacted dislocated workers, in particular, are having to struggle with the fact that they no longer have the job they have been comfortable with for years, and now they're told they have to go back to school. In order for these workers to successfully reenter the job market, you need to help them make an informed choice of an appropriate training program.

To make this transition as easy as possible on workers, it will be helpful if you become familiar with the different types of training, the criteria used to evaluate training programs, and some of the monitoring concerns related to job training.

Types of Training

There are two types of training being offered; On-the-Job-Training (OJT) and classroom training. These training opportunities are made available to workers from organizations such as local employers, appropriate labor organizations, apprenticeship programs, and post-secondary institutions.

On-the-Job-Training (OJT) allows workers to engage in productive work while in training. Through this training, workers are able to acquire the proper skills and education needed for a specific job.

When working with an employer to set up an OJT, keep in mind that:

- the employer can be reimbursed up to 50% of the wages paid to the workers during training;
- the OJT cannot interfere with any other training contract;
- the employer cannot fire anyone with the intention of filling the vacancy with the eligible worker;
- the job for which the eligible worker is being trained cannot be created just so he can receive OJT; and

- the employer must guarantee that he will continue to employ the eligible worker for at least 26 weeks after completion of training.

Classroom Training is training conducted in a classroom setting which provides technical skills and information required to perform a specific job and is usually offered at an educational institutions. Examples of classroom training include vocational or technical training, trade-related training, community college courses, or university programs. Before enrolling in a training program, some workers may need basic or remedial education, such as Adult Basic Education, GED, training in literacy or English as a Second Language, or Job Search training programs¹⁵.

Once the workers are ready to move on, you can amend their training program and enroll them in the desired training program.

APPROVAL CRITERIA FOR TRAINING

Once the workers have identified specific on the job or occupational training, they should apply for funding for training. Training programs must be TAA and/or NAFTA-TAA approved before any of the costs can be paid.

In order for training to be TAA and/or NAFTA-TAA approved, the following six criteria must be met:

- 1 there is **no suitable employment** for the worker;
- 2 the **training is appropriate** for the worker;
- 3 there is a **reasonable expectation** of employment following training;
- 4 training must be **reasonably available** to the worker;
- 5 the worker is **qualified** for the training; and
- 6 the training is available at **a reasonable cost**.

No Suitable Employment

Suitable employment means work at an equal¹⁶ or higher skill level than the worker's past employment from which he was laid-off, and wages at least 80 percent of the worker's previous wages.

For example, a worker who had been a line supervisor for an apparel factory, making \$13.75 an hour gets laid-off. He finds another job at a convenience store, which pays \$5.25 an hour.

¹⁵ Job Search training programs include computer-assisted job search programs such as America's Job Bank and America's Talent Bank which help in locating job openings that are available through the Job Service office.

¹⁶ Refer to your State's policy for defining "equal" in terms of skill level.

This is not suitable employment in terms of skill level and wages.
Training must be appropriate to help workers find a new career.

Appropriate Training

A worker will benefit from appropriate training. In deciding if training is appropriate for the workers, make sure that:

- the worker's interest match the training program;
- the worker is capable, both mental and physical, to be job ready after completion; and
- the training matches the job market.

For example, a worker identified a computer programming course offered by an education institution. As the case manager you tell the worker that the course would not be an appropriate training because it would make it hard for the worker to compete for a job against those who've completed a degree or certification program.

Reasonable Expectation of Employment

This means that given the job market conditions¹⁷ expected to exist at the time of the completion of the training program, there is a reasonable expectation¹⁸ that the worker will find a job, using the skills and education acquired while in training¹⁹.

For example, a worker would like to work in an office as a stenographer, but according to the most recent labor market report, stenographers are becoming a thing of the past. Therefore, there is no reasonable expectation of employment at the completion of training.

Reasonably Available Training

A worker's training must be reasonably available²⁰ to him. Whenever possible, the training program should be within the worker's commuting area. First preference should be given to local educational institutions. If appropriate training is not available, training outside the commuting area is allowed, as long as the cost is reasonable.

For example, two State training facilities offer a Computer Programming certification program. One is located in the same town

¹⁷ To determine job market conditions, look at Labor Market projections from sources like SOICC, Choices, etc. Also when looking at job market conditions, don't train to flood the market when setting up training opportunities for workers. For example, suppose training is offered in Computer Assisted Office Management, don't set up a class of 40 people, when there are only a half dozen available jobs in the area.

¹⁸ This does **not** require that the worker has to have a job waiting for him. However, there must be a good chance that a job will exist at the completion of the training.

¹⁹ Remember that under TAA and/or NAFTA-TAA, a worker can train in any job available in the US as long as they're willing to relocate.

²⁰ There are no specific guidelines. If you have questions about what's "reasonable", ask your supervisor.

and the other is located two towns away. The program located in the same town is considered reasonably available training.

Worker Qualified for Training

A worker is qualified to undertake and complete a training program when the worker:

- is accepted by the institution offering the training;
- is capable, both mentally and physically, to complete the training;
- has the appropriate educational background and work experience; and
- has the financial resources to complete training²¹.

Reasonable Cost

A worker's training should be available at a reasonable cost. The intent of this criteria is to encourage training at local facilities, and first consideration must be given to the lowest cost training. For example, training can't be approved at one provider when similar training is available from another provider at a lower total cost within the same time frame. Also, if a worker has applied for training which requires a very high skill level and the total costs of the training are much higher than the costs of other training which is more suitable for the worker, it can't be approved.

Total training costs include tuition and related expenses, (such as books, supplies, fees), transportation costs to get to the training, and child care if needed. All of these costs should be considered as a total package for training when determining reasonable training costs.

There are usually multiple resources available that can help you keep training costs reasonable. Whenever possible, use Pell grants, scholarships, union funds, JTPA and other sources to help fund training. Spend time developing linkages: get to know what schools are out there, what they offer & what they cost. Use course/school catalogs, contact schools and inform them of TAA. and/or NAFTA-TAA. Work with training vendors, including State approved training facilities, to try and reduce costs. Training must be approved before any of the costs can be paid. Under NAFTA-TAA there are time limits for enrolling in training²².

²¹ These financial resources must be documented. If it is determined that a worker's cash allowance will be exhausted before the training program ends, the worker must have access to alternate fund, such as personal or family resources. If other resources are not available, the training can not be approved. Shorter term training could be considered or referrals could be made to other training providers, such as those available through JTPA services.

²² The worker must be enrolled in a training activity within 6 weeks after his company is certified, or within 16 weeks of his initial unemployment compensation benefit period in order to receive TRA benefits. It is very important to workers that you pay close attention to these time lines, and stress a sense of urgency to the workers in making a decision for job training before these deadlines pass.

MONITORING ISSUES

After a worker is enrolled in a specific training activity, it is now your responsibility to monitor his progress to ensure successful completion. There are five monitoring issues related to a worker's job training program:

- Breaks in Training;
- Fees and Tuition;
- Length of Training;
- Approved Training; and
- Training outside the United States.

We will cover each of these in more detail.

Breaks in Training

An individual worker may continue to receive basic and additional TRA during scheduled breaks in training, but only if a scheduled break is not longer than 14 days. A scheduled break in training shall include all periods within or between courses, terms, quarters semesters and academic years of the approved training program. No basic or additional TRA will be paid to an individual for any week which begins and ends within a scheduled break that is 15 days or more.

For example, a worker knows he is eligible for basic TRA benefits for 26 weeks, and plans to attend a training activity for that length of time. He attends school for 4 weeks, then has summer break. He assumes he will still have 22 weeks left of benefits when the fall semester begins, but he is wrong as the clock has continued to tick.

In this example, the worker assumes he will continue to receive his weekly cash allowance during the summer break from classes. However, any break in training longer than 14 days is not covered under TAA and/or NAFTA-TAA, and as such, the worker will not receive his weekly cash allowance.

If a worker is enrolled in a course offered through a vocational school, community college or four year institution, there will be breaks built in to their schedules, which will be published in the schedule of courses provided to you by the institution. Spring break, for example, will be less than 14 days²³. As long as these breaks are less than 14 days, the worker will still be able to receive the weekly cash allowance.

²³ When calculating breaks in training, don't count days where training would not normally be conducted, eg. weekends and state and national holidays. For example, if training ends on Friday, don't start counting the break until Monday.

Sometimes breaks will be greater than 14 days, for example, summer vacation. In this case, a worker cannot receive his weekly allowance during this break in training.

There are ways to deal with these long breaks in training so that a worker can continue to receive benefits. When at all possible, negotiate with the vendors of the training. Perhaps an interim or independent course could be created, as long as it is related to the training program (for example - internships, especially in health care).

Fees and Tuition

All worker's cost of training should be determined before training begins and covered under TAA and/or NAFTA-TAA or another funding source. All costs must be necessary for training and include tuition and fees, such as lab fees or processing fees, and supplies such as books, uniforms, and tools. You may ask the schools to provide you with an itemized list of all costs or supplies.

For example, a worker comes to you and says he needs additional money so he can buy a pair of steel-toed boots for his training. If all students in the class are required to buy the same boots, then they can be allowed as a training cost.

Length of training

The maximum duration for any approvable training program is 104 weeks and no individual worker shall be entitled to more than one training program under a single certification²⁴. As has been stated previously, a worker enrolled in TAA and/or NAFTA-TAA training has to be job ready at end of 104 weeks. So when choosing a training program for a worker, you will want to choose one you hope will achieve the desired skill level in the shortest possible time.

However, if you find the worker in a situation where the training is too difficult, you can amend the program. Perhaps you decide to change this worker's program from computer programming to computer assisted office management. This is allowed, as long as the length of the amended training program does not exceed the 104-week training limitations.

A workers' training must be full time. To determine full time status, obtain a published catalog from the institution offering the training. A worker enrolled in TAA and/or NAFTA-TAA training has to be job ready at the end of the training. To make sure a worker achieves this, monitor their progress. Schedule regular

²⁴ One training program could contain several components. For example, a worker may first need to enroll in English as a Second Language, then GED classes in order to get a high school equivalency diploma, and then enroll in a welding program.

meetings with the worker, keep in contact with the worker's instructors and visit the training facility periodically.

Approved Training

A worker's training program must be approved by the State under TAA and/or NAFTA-TAA in order for it to be funded. If you have a worker that is enrolled in a training program prior to being eligible for TAA and/or NAFTA-TAA, check to make sure this training program meets the evaluation criteria for approval. You must make this determination before a customer switches over to TAA and/or NAFTA-TAA funding, as you cannot reimburse any training costs which were due prior to the approval of the training program under TAA and/or NAFTA-TAA.

For example, a worker has been going to school part-time before becoming eligible for TAA and/or NAFTA-TAA. Can she continue with this training? You must first verify if the training program is TAA and/or NAFTA-TAA approvable.

Training outside the United States

No worker can attend training outside the United States as TAA and/or NAFTA-TAA training is not allowed outside the United States.

For example, a worker wants to attend a chef school in Canada. This is not approvable training as no training is allowed outside the United States.

To summarize, once a company is certified, affected workers may qualify to receive any of the following TAA and/or NAFTA-TAA benefits:

1. Weekly cash payments payable for weeks of unemployment.
2. Reemployment services, such as counseling, testing, job development and placement.
3. Job search allowances, provides reimbursement for approved job search expenses.
4. Relocation allowances, provides reimbursement for approved costs of relocating to a new job.
5. Job training, which is expected to lead to employment.

WORDS TO DEFINE

Secondary affected workers - employees of secondary firms indirectly affected by imports from Canada or Mexico or shifts in production to those countries.

Secondary firms - include companies that supply materials to a primary firm; companies that assemble or finish components produced by a primary firm; and family farms and farm workers who do not meet the group eligibility requirements.

Impact date - the date on the certification when total or partial layoffs began or threatened to begin. Usually the date of the petition.

Termination date - the date that import injury ceased. If there is no termination date, the certification will expire two year from the date it is issued.

Certification date - the date the certification is officially approved by the U.S. Department of Labor.

Certification period - the period of time during which total and partial separations from employment are covered by the certification.

Bonafide application - an individual's signed and dated application for training filed with the State agency administering the TAA and/or NAFTA-TAA training program. This form must contain the individual's name, petition number, local office number, and specific occupational training.

Suitable employment - work at an equal or higher skill level than the worker's past employment from which he was laid-off, and wages for such work at no less than 80 percent of the worker's average weekly wage.

Adversely affected employment - employment in a firm or appropriate subdivision of a firm, that are certified under the Act as eligible to apply for TAA and/or NAFTA-TAA.

First benefit period - the benefit period established after the individual's first qualifying separation or in which such separation occurs.

Qualified separation -

Date of separation -

Partial separation - during a week ending on or after the impact date specified in the certification, the individual had hours of

work reduced to 80 percent or less of his average weekly hours, and wages reduced to 80 percent or less of his average weekly wage.

Total separation - a layoff or severance of an individual from employment with a firm in which, or in a subdivision of which, adversely affected employment exists. According to Pennsylvania, this is a layoff lasting seven or more consecutive days.

Benefit year ending date - the date that ends an individual's eligibility for regular compensation, additional compensation, extended compensation, or federal supplemental compensation.

Expiration termination date -

Reasonable period of time - such period of time as the individual had good cause for not filing earlier, which shall include, but not be limited to, the individual's lack of knowledge of the certification or misinformation supplied the individual by the State agency.

APPENDIX